

IT'S TIME FOR MISSOURI TO GET IN THE GAME

Scientific Research and Development Are Keys to Future Jobs and Growth

By

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Is the grass really greener on the other side of the state line?

If you're a Missouri entrepreneur wanting to launch or expand a science-based business, the answer is yes. There are programs, organizations and resources in Kansas and Illinois to help you grow your business that Missouri simply doesn't have.

As the Chief Executive Officer of a long-established and growing science and research organization with strong roots in Missouri, I am troubled by our state's failure to put in place the kind of incentives and encouragement that will make our state as competitive and science-friendly as it needs to be in the 21st century.

It should be noted that some useful steps have been taken. Missouri is home to 10 innovation centers in university communities around the state that are designed to help entrepreneurs translate scientific innovations into profitable companies. There are certainly an array of extraordinary science-based companies, enterprises and university programs in Missouri, including the Stowers Institute Medical Research, Cerner, and our own Midwest Research Institute in Kansas City; animal health companies along the I-70 corridor; and The Danforth Plant Science Center, renowned aerospace companies and medical centers in St. Louis. But much more needs to be done.

- An important statistic presented by the Grow Me State Initiative makes the case. The organization reports that our neighboring states of Arkansas, Illinois, Iowa, Kentucky, Oklahoma and Kansas spend \$2.79 per capita of public money to attract and support capital formation for innovative, high-tech companies.

States Missouri often competes with for technology assets – such as Michigan, Minnesota, North Carolina, Indiana, Arizona, and Wisconsin - spend closer to \$3 per capita. Missouri currently spends 10 cents.

- To our west, the Kansas Bioscience Authority has been working since 2004 to attract and retain clean, high tech businesses. Through December 2009, the realized outcomes of KBA investments have had a cumulative impact of 1,170 new jobs, \$112 million in capital investment, \$46.6 million in research funding, and \$30.8 million in equity investments in bioscience companies and an estimated \$76.7 million in new wages. Perhaps most significantly, Kansas was officially selected as the home of the \$650 million National Bio and Agro-Defense Facility, which will have an estimated \$3.65 billion economic impact as it becomes the world's preeminent research center to protect the food supply and agriculture economy. In November, a second federal research lab also announced it would relocate to Kansas.
- In Illinois, the state's science leadership is impressive. For instance, Illinois ranks in the top ten US states in science and engineering doctorates awarded, producing more than 1,000 each year. As of 2006, there were over 24,000 doctoral level scientists and engineers working in Illinois. There are more than 1,100 establishments in Illinois engaged in the manufacture of advanced materials. These firms employ more than 64,000 workers. Illinois' federal R&D facilities include Argonne National Laboratory, Fermilab, the National Center for Supercomputing Applications, the USDA National Center for Agricultural Utilization Research, and the National Center for Food Safety. But Illinois is not resting on its laurels. Many of the states largest universities, business organizations and science-based companies have joined forces to form the Illinois Science and Technology Coalition, where they leverage the state's billions of dollars of investments in bioscience, clean energy and nanotechnology to bring even more research and development the state.

Even in tight budgetary times, Missouri has to get in the game if it is going to attract and retain high-tech companies and jobs to our state. That's why, in 2009, seeing the need to boost Missouri's competitiveness in this critical area, Governor Jay Nixon introduced legislation to create the Missouri Science and Innovation Reinvestment Act (MOSIRA). Without any tax increase or expenditure from the state general fund, the bill would capture a small percentage of the new growth in gross wages generated by employees working in Missouri within designated science and innovation fields. The revenue would be reinvested to assure future and continued job growth and increased economic activity.

Unfortunately, the State legislature has failed to act while our neighbors continue to market themselves to new and existing science-based enterprises.

The goals of the MOSIRA initiative are important, laudable and right on target:

- Attract top science talent to Missouri
- Commercialize scientific research to create new Missouri-based technology companies
- Recruit and build strategic science infrastructure
- Create a continuum of capital programs to increase access to risk capital for early stage technology companies
- Increase technology-focused entrepreneurial activity in Missouri, and
- Establish highly –focused workplace development initiatives.

As a successful, science-based research institution, Midwest Research Institute stands ready to help make MOSIRA as successful as possible. For 66 years, we have been a poster child for the kind of enterprise MOSIRA seeks to attract:

- Our scientists and leaders include winners of numerous IR&D 100 Awards, US and International Patents, and serve on many national and international scientific and policy committees.

- Our research teams have been at the forefront of fighting cancer and AIDS, exploring alternative sources of energy, strengthening our nation's defenses against bioterrorism, and supporting our troops in the field.
- In Kansas City, Colorado, Florida, Maryland and elsewhere, MRI facilities are critical components of the region's science-based infrastructure.

As a proud Missouri enterprise, we would be the first to acknowledge that the Show Me state's science-based businesses and research facilities are top tier, and we are fortunate to have them. But the status quo isn't sufficient any longer. The Governor is right in trying to jump-start more entrepreneurial initiatives through MOSIRA. We look forward to helping him pass a program that will help make Missouri as science-friendly as our neighbors.